

PERSONNEL AND HIRING COMMITTEE REPORT relative to proposed amendments to the 2024-2027 Memoranda of Understanding (MOU) for the Administrative and Supervisory Administrative Units (MOUs 01 and 20).

Recommendations for Council action:

1. APPROVE Amendment No. 2 to the MOUs for MOU Nos. 01 and 20, attached to the Council File.
2. AUTHORIZE the Controller and the City Administrative Officer (CAO) to correct any clerical errors in the MOUs or make necessary technical corrections subsequent to City Council approval.

Fiscal Impact Statement: The CAO reports that the cost associated with providing additional compensation will be absorbed within budgeted funds and will have no impact on the General Fund in Fiscal Year (FY) 2026-27.

Community Impact Statement: None submitted.

Summary:

On June 26, 2026, your Committee considered a June 5, 2026 CAO report relative to proposed amendments to the 2024-2027 MOU for MOUs 01 and 20. According to the CAO, on September 1, 2023, Council adopted a motion filed under Council File No. 23-0932 that directed the Chief Legislative Analyst (CLA), in consultation with the Bureau of Contract Administration's (BCA) Office of Wage Standards (OWS) and the City Attorney, to prepare a report to the City Council with recommendations on increasing the authority and capability of the OWS to enforce claims against employers for violations related to laws regarding overtime, meal breaks, rest breaks, late pay, and tips and gratuities.

On July 24, 2025, the CLA reported back with an extensive plan that included revision of the Los Angeles Municipal Code (LAMC) Section 188.00 et seq. to expand the purview of the OWS to investigate the previously mentioned workplace violations, a process by which the OWS can manage the additional workplace violation investigations, and additional positions to assist in the expanded duties. The BCA has indicated that a challenge in managing wage theft investigations is the difficulty in recruiting and retaining employees, particularly in the OWS where the staff turn-over rate has hovered around 40% in each of the last five years.

The highest recruitment and retention issues are experienced with employees performing investigations in the classes of Management Assistant (Class Code 1539), Management Analyst (Class Code 9184), Special Investigator I and II (Class Codes 0602-1 and 0602-2) and Senior Management Analyst I (Class - 2 - Code 9171-1). The main challenge with the Management Assistant, Management Analyst, and Senior Management Analyst I positions is that performing OWS investigations subjects employees in these

classifications to harassment and disparate treatment by the business entities under investigation, leading these employees to seek transfers to positions where they can perform more traditional administrative duties in an office setting. In furtherance of the new duties foisted on BCA, Special Investigators have been hired in lieu of Senior Management Analysts and Management Analysts, whose job duties would generally include contentious interactions with the public. Even with the hiring of Special Investigators in lieu of Senior Management Analysts and Management Analysts, the recruitment and retention issues persist. The additional wage theft duties required of the investigators in the previously mentioned classifications will necessitate BCA management to develop and implement a robust training program that will provide relevant information that BCA management deems critical in enforcing wage theft throughout the City. Upon completion of the aforementioned training, a 5.5% pensionable bonus will be provided to employees who perform wage theft enforcement functions. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the CAO report. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Personnel and Hiring Committee

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|----------------|--------|
| COUNCILMEMBER: | VOTE:  |
| McOSKER:       | YES    |
| RODRIGUEZ:     | ABSENT |
| SOTO-MARTINEZ: | YES    |

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6/26/26

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**